

Draft
DD/R- [REDACTED] 25X1A9a
10 Oct 62

MEMORANDUM OF RECORD

SUBJECT: CIA Supergrade Increases

1. At the request of Mr. Robert Amory, Bureau of the Budget, representatives of the major Agency components met with him on the afternoon of 9 October to discuss the proposed increases in the number of supergrades in the Agency. The following were in attendance:

Mr. Robert Amory, Bureau of the Budget

Mr. Don Smith, Bureau of the Budget

Mr. H. Gates Lloyd, A/DD/S

Mr. Emmett D. Echols, Director of Personnel

Mr. Huntington Sheldon, A/DD/I

25X1A9a [REDACTED], A/DD/P

Mr. John A. Bross, Comptroller

25X1A9a [REDACTED] Chief, Budget Division, Office of the
Comptroller

25X1A9a [REDACTED], Executive Assistant, DD/R

2. Mr. Amory opened the discussion by explaining that he was in general sympathetic with CIA's need to increase its supergrade structure and had no intention of trying to tell the Agency what it could and could not do. He did want to observe, however, that the statistical comparisons used by the Agency in the presentation of its case were obviously

selected with care, whereupon he proceeded to cite various other agencies primarily within the intelligence community such as NSA and the various other Department of Defense intelligence components wherein the ratio of supergrades to total civilian population is less favorable than that now existing within the CIA. (While not mentioned during the meeting, it may be observed that these figures in fact show that the entire intelligence community may be undergraded by comparison.)

3. Mr. Amory explained that he was not desirous of attacking the CIA case but that in the interest of perspective and balance, there were some appropriate factors to be considered on the other side of the question and in opposition. He agreed that he felt CIA should be in the forefront of the parade, but felt that in CIA's own best interest it should be careful not to get too far ahead of the over-all parade. It was his further sentiment that CIA's proposed supergrade expansion was conceived and developed at a time when salary relief did not seem possible in any other way, and that no basic improvements in the Agency grade structure had been made for a prolonged period of time. Since the development and submission of the proposal, however, many of the needs and observations he felt had been overtaken by the recent

Congressional action to improve on an immediate and continuing basis the salary scales at the Grades 13, 14 and 15 level which he felt should preclude some of the justification for going into the supergrade category. Specifically, he felt that the reserve pools of supergrades were particularly vulnerable and in his first remark suggested that these should be scratched from the plan. Upon further discussion, however, he concluded that the idea was not without merit, and that a limited number may indeed be appropriately utilized. He made clear that he felt this number should, however, be small and selected with extreme care.

4. Mr. Amory's comments indicated less concern for such positions (reserve) in the DD/P than in the DD/I. Insofar as the DD/I is concerned where these reserve positions were intended to recognize expertness in the analytical and professional fields, it was his general conviction that the salary scale of the GS-15 under the new pay scale was quite competitive with universities, research institutes and the general run of private business and industry. He recognized the need for some additional flexibility within the DD/P but particularly as it applied to Chiefs of Stations or other similar personnel assigned abroad in the many current troubled and hot spots around the world where a great deal of personal responsibility is involved and where it does now appear that

CIA personnel are paid on a scale not commensurate with their fellows from other Government agencies.

5. In a brief discussion of the salary problems as they relate to scientific and technical personnel and the particular status and requirements of the DD/R, Mr. Amory observed that this was a different and more difficult salary area and it was his impression that the DD/R's requests were entirely reasonable, that he had no questions or reservations concerning them at all. He recognized the Agency's authority to fix salaries as needed, and that in some such hard to get categories this practice may be necessary. He also suggested that it might be useful for the Agency to exercise its authority to bring hard to get categories at the tops of grades 14 or 15.

6. In summary, it seemed apparent that the BOB was in nowise hostile to the proposed expanded supergrade structure of CIA and intend generally to endorse the plan. It was equally apparent, however, that the Bureau was anxious that CIA not overlook the important advances established in the new pay bill, and that not too hasty expansion into the supergrades be made.

7. It was also apparent that the designated pools or reserves are the least attractive to the Bureau. A reduction

in the number of the pool positions and an over-all cautious implementation of the plan was the main impression that Mr. Amory obviously desired and succeeded in achieving.

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MEMORANDUM FOR: Director, Bureau of the Budget
SUBJECT: CIA Supergrade Requirements

1. We were pleased to have Mr. Robert Amory of your staff visit with several senior officials of this Agency on 9 October to discuss the Bureau's impressions and reactions to the proposed increase in the number of supergrades within the CIA. We very much appreciate the explanations and advice presented by Mr. Amory.

2. As a result of this discussion, we have reviewed and reconsidered our requirements in the light of the new pay bill and other factors pointed out by Mr. Amory. We wish to advise you that we will revise our proposal to reduce from 30 to 12 the number of reserve positions. The implementation of these 12 is not expected to be immediate and will be done only after the most careful evaluation of each individual action. In addition to this reduction in the proposal as originally submitted, we will of course review each action with careful consideration of the merits in each case and its relationship to the new pay act.

3. As Mr. Amory recognized and pointed out, in a number of instances the new legislation resolves in an effective

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manner some of the problems that we formerly could have accommodated only by a raising of the grade structure. Please be assured that this program will be administered in the most responsible manner possible. Your continued advise and assistance will be appreciated.

DCI

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